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SUBJECT: 62ND UNGA: GA EXTENDS PTF FUNDING FOR 2008 AND
REQUESTS SYG REVIEW OF OIOS INVESTIGATIONS DIVISION BY JUNE
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¶1. SUMMARY: Early on the morning of December 22, 2007, the UN General Assembly adopted Resolution A/62/234 to extend financing for the Procurement Task Force (PTF) for 2008 in order to permit the PTF to continue its investigation of 289 pending cases. Member States endorsed the SYG's request for \$4.9 million to cover the costs of the 27-member task force, charges that will be apportioned between the UN peacekeeping budget (85 per cent) and the UN regular budget (15 per cent).

In addition, the resolution took note of the annual report of the UN Office of Internal Oversight Services (OIOS) presented during the 61st UNGA (A/61/26), the OIOS Report on PTF Activities from January 2006 through June 2007 (A/62/272), the SYG's related report (A/62/272/Add.1) on the PTF, and other more recently completed OIOS reports. The resolution also called upon the Secretary-General to report to the GA by June 30, 2008 on the overall capacity of the OIOS investigations division, including, "inter alia, the activities of the Procurement Task Force." USUN succeeded in securing support from other Member States, in particular Singapore and members of the Group of 77 and China (G-77), for PTF's full funding for 2008.

¶2. SUMMARY (continued): USUN, with Department concurrence, plans to seek Member State consideration during the March 2008 resumed Fifth Committee session of a recent OIOS Report on the management, organizational structure, operational practices and effectiveness of its Investigation Division ("Actions to Strengthen its Investigation Function") which appeared as an annex to a December 12, 2007 SYG report (A/62/582) (hereafter "OIOS technical report"). As part of these discussions, USUN hopes to address concerns identified by Singapore and other Member States in the conduct of investigations which prompted the OIOS technical report. At the same time, in conjunction with consideration of this report, USUN will press to strengthen the investigation function within the Organization and ensure that it remains under OIOS authority. END SUMMARY.

PTF FUNDING EXTENDED
FOR 2008

¶3. As one of the last actions taken by the Fifth Committee during the Main Session of the 62nd UNGA, the General Assembly adopted Resolution A/62/234 early in the morning of December 22 to finance the activities of the Procurement Task Force (PTF) for 2008. The agreement brokered by USUN/MR with the G-77 authorized the PTF to continue its investigation of 289 pending cases, in particular the review of suspected fraud, waste and mismanagement involving large and complex procurement contracts associated with UN peacekeeping missions. To secure Member States' support for full funding for PTF, USUN acquiesced in a provision proposed by Singapore and the G-77 requesting the Secretary-General "to conduct an overall review of the capacity of the Investigations Division of the Office of Internal Oversight Services by 30 June 2008,

and that the review will include, inter alia, the activities of the Procurement Task Force" (para 4 of A/62/234) (hereinafter "the investigations capacity review"). In addition, the General Assembly requested the Advisory Committee on Administrative and Budgetary Questions (ACABQ) to request the Board of Auditors to conduct an audit of the activities of the Task Force for the period from January 1, 2006 to June 30, 2007, and to report during the main part of the 63rd GA (para 5 of A/62/234).

¶4. Earlier versions of the draft resolution adopted December 22 by the GA contained language submitted by Singapore and supported by the G-77 would have limited funding for the PTF to no more than six months. Singapore's ongoing opposition to the PTF continued to be based on its concerns that the Task Force mishandled the investigation of Andrew Toh, former A/SYG for Central Support Services, who was suspended in January 2006 and subsequently censured by the SYG for improperly declaring his financial assets for 2004 and 2005 and for not cooperating with the PTF.

NEXT STEPS ON
INVESTIGATIONS

¶5. In his December 12, 2007 report (A/62/582), the SYG indicated his intention to present a comprehensive review of the investigations function across the UN during the 63rd GA session. This report, which the SYG indicated will consider whether investigations should remain a function within OIOS or be shifted elsewhere, will be in addition to the investigations capacity review requested by the GA no later than June 30, 2008 (Resolution A/62/234). The third report -- OIOS' technical report (annex to December 12, 2007 SYG Report) -- already has been distributed to Member States.

USUN will press Fifth Committee members to discuss this report during the Committee's March resumed session in order to immediately address the concern that Member States have identified with the manner in which OIOS, and PTF in particular, conduct their investigations. However, certain Member States may, for their own purposes, seek to delay consideration of the OIOS technical report until all three above described reports have been circulated -- possibly not until the beginning of the 63rd GA. Member States also may argue that measures to strengthen investigations cannot be considered without taking into account previously requested reports on the accountability framework, results-based management, enterprise risk-management, and an internal control framework for the UN, all of which are still to be issued in the coming months. USUN will keep the Department apprised of ongoing developments.

Wolcott